

AMENDED IN SENATE JULY 14, 2015

AMENDED IN SENATE JUNE 24, 2015

AMENDED IN ASSEMBLY APRIL 27, 2015

AMENDED IN ASSEMBLY APRIL 20, 2015

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

## **ASSEMBLY BILL**

**No. 921**

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**Introduced by Assembly Member Jones**

February 26, 2015

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An act to amend Section 7525.1 of, and to add Sections 7519.1, 7519.2, 7519.3, and 7519.4 to, the Business and Professions Code, relating to private investigators.

### LEGISLATIVE COUNSEL'S DIGEST

AB 921, as amended, Jones. Private investigators: Disciplinary Review Committee.

The Private Investigator Act provides for the licensure and regulation of private investigators by the Bureau of Security and Investigative Services within the Department of Consumer Affairs and requires the Director of Consumer Affairs to administer and enforce the act. The act authorizes the director to deny, suspend, or revoke a license if the director determines, among other things, that any provision of the act was violated by the licensee. The act also authorizes the director to impose a civil penalty of no greater than \$500 instead of suspending or revoking a license issued under the act for the violation of specified provisions if the director determines that the imposition of the civil penalty better serves the purposes of the act. The act requires an application for a license to be verified and include certain information,

including, but not limited to, the full name and business address of the applicant.

This bill would require the Governor to appoint a Private Investigator Disciplinary Review Committee, and would authorize the Governor to remove any member of the committee for misconduct, incompetency, or neglect of duty. The bill would require the committee to consist of 3 members actively engaged in the business of a licensed private investigator and 2 public members, as specified, and would require members to be appointed for a term of 4 years. The bill would require the committee to meet every 60 days or more or less frequently as may be required, and would require that the members be paid per diem, as specified, and be reimbursed for actual travel expenses. The bill would require the committee to perform certain functions, including affirming, rescinding, or modifying all appealed decisions concerning administrative fines, or denial, suspension, or revocation of licenses, as specified. The bill would authorize the committee to grant a probationary license, certificate, registration, or permit with respect to appealed decisions, as specified. The bill would authorize a person licensed under the act to appeal the assessment of an administrative fine to the committee, and would authorize a person denied, suspended of, or revoked of a license under the act to appeal to the committee, except as specified, if the appeal is in writing and made within 30 days of the assessment of the fine or denial, suspension, or revocation of the license. The bill would require the committee to notify the appellant in writing, by regular mail, of the committee's decision within 30 days of that decision. The bill would also authorize the appellant to request a hearing, as specified, if, among other things, the appellant disagrees with the committee's decision regarding the appeal. *The bill would make the above provisions operative on July 1, 2017.* The bill would require that all evidence used by the bureau be provided to the committee prior to hearing an appeal. The bill would also authorize an applicant to, at his or her discretion, include a valid email address on the application.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1 SECTION 1. Section 7519.1 is added to the Business and
- 2 Professions Code, immediately following Section 7519, to read:

1 7519.1. (a) The Governor shall appoint a Private Investigator  
2 Disciplinary Review Committee, and may remove any member of  
3 the committee for misconduct, incompetency, or neglect of duty.

4 (b) The committee shall consist of three members actively  
5 engaged in the business of a licensed private investigator and two  
6 public members. The public members shall not be licensees or  
7 registrants, or engage in any business or profession in which any  
8 part of the fees, compensation, or revenue thereof, is derived from  
9 any licensee.

10 (c) The committee shall meet every 60 days or more or less  
11 frequently as may be required. The members shall be paid per diem  
12 pursuant to Section 103 and shall be reimbursed for actual travel  
13 expenses. The members shall be appointed for a term of four years.

14 *(d) This section shall become operative on July 1, 2017.*

15 SEC. 2. Section 7519.2 is added to the Business and Professions  
16 Code, to read:

17 7519.2. (a) The Private Investigator Disciplinary Review  
18 Committee shall perform the following functions:

19 (1) Affirm, rescind, or modify all appealed decisions concerning  
20 administrative fines assessed by the bureau against private  
21 investigators.

22 (2) Affirm, rescind, or modify all appealed decisions concerning  
23 denial, suspension, or revocation of licenses, and certificates,  
24 registrations, or permits issued by the bureau, except denials  
25 suspensions, or revocations ordered by the director in accordance  
26 with Chapter 5 (commencing with Section 11500) of Division 3  
27 of Title 2 of the Government Code.

28 (b) The committee may grant a probationary license, certificate,  
29 registration, or permit with respect to the appealed decisions  
30 described in subdivision (a).

31 *(c) This section shall become operative on July 1, 2017.*

32 SEC. 3. Section 7519.3 is added to the Business and Professions  
33 Code, to read:

34 7519.3. (a) (1) A person licensed with the department under  
35 this chapter may appeal the assessment of an administrative fine  
36 to the Private Investigator Disciplinary Review Committee. A  
37 person denied, suspended of, or revoked of a license under this  
38 chapter may appeal to the committee, unless the denial, suspension,  
39 or revocation of the license is ordered by the director in accordance

1 with Chapter 5 (commencing with Section 11500) of Part 1 of  
2 Division 3 of Title 2 of the Government Code.

3 (2) A request for an appeal to the committee shall be made in  
4 a written notice to the department within 30 days of the assessment  
5 of an administrative fine or denial, suspension, or revocation of a  
6 license.

7 (3) Following review by the committee of the appeal, the  
8 appellant shall be notified in writing, by regular mail, within 30  
9 days of the committee's decision on the appeal.

10 (4) If the appellant disagrees with the decision made by the  
11 committee, the appellant may request a hearing as described in  
12 subdivision (b). A request for a hearing following a decision by  
13 the committee shall be made by written notice to the department  
14 within 30 days following notice of the committee's decision.

15 (5) If the appellant does not request a hearing within those 30  
16 days, the committee's decision shall become final.

17 (b) (1) A person licensed with the department under this chapter  
18 may request a hearing in accordance with Chapter 5 (commencing  
19 with Section 11500) of Part 1 of Division 3 of Title 2 of the  
20 Government Code if he or she contests an assessment of an  
21 administrative fine, or to appeal a denial, suspension, or revocation  
22 of a license. A hearing may also be requested, if the appellant  
23 disagrees with the decision made by the committee.

24 (2) A request for a hearing shall be made by written notice to  
25 the department within 30 days following the issuance of the  
26 decision by the committee. A hearing pursuant to this subdivision  
27 shall be available only after a review by the committee.

28 (c) *This section shall become operative on July 1, 2017.*

29 SEC. 4. Section 7519.4 is added to the Business and Professions  
30 Code, to read:

31 7519.4. (a) The Private Investigator Disciplinary Review  
32 Committee shall be provided all evidence used by the bureau in  
33 reaching its decision prior to hearing an appeal.

34 (b) *This section shall become operative on July 1, 2017.*

35 SEC. 5. Section 7525.1 of the Business and Professions Code,  
36 as amended by Section 4 of Chapter 669 of the Statutes of 2014,  
37 is amended to read:

38 7525.1. An application shall be verified and shall include:

39 (a) The full name and business address of the applicant.

40 (b) The name under which the applicant intends to do business.

1 (c) A statement as to the general nature of the business in which  
2 the applicant intends to engage.

3 (d) A verified statement of his or her experience qualifications.

4 (e) (1) If the applicant is an individual, a qualified manager, a  
5 partner of a partnership, an officer of a corporation designated in  
6 subdivision (h), or a managing member of a limited liability  
7 company designated in subdivision (i), one personal identification  
8 form provided by the bureau upon which shall appear a photograph  
9 taken within one year immediately preceding the date of the filing  
10 of the application together with two legible sets of fingerprints,  
11 one set of which shall be forwarded to the Federal Bureau of  
12 Investigation for purposes of a background check, on a form  
13 approved by the Department of Justice, and a personal description  
14 of each person, respectively. The identification form shall include  
15 residence addresses and employment history for the previous five  
16 years and be signed under penalty of perjury.

17 (2) The bureau may impose a fee not to exceed three dollars  
18 (\$3) for processing classifiable fingerprint cards submitted by  
19 applicants, excluding those submitted into an electronic fingerprint  
20 system using electronic fingerprint technology.

21 (f) In addition, if the applicant for a license is an individual, the  
22 application shall list all other names known as or used during the  
23 past 10 years and shall state that the applicant is to be personally  
24 and actively in charge of the business for which the license is  
25 sought. If any other qualified manager is to be actively in charge  
26 of the business, the application shall be subscribed, verified, and  
27 signed by the applicant, under penalty of perjury. If any other  
28 person is to be actively in charge of the business, the application  
29 shall also be subscribed, verified, and signed by that person under  
30 penalty of perjury.

31 (g) If the applicants for a license are copartners, the application  
32 shall state the true names and addresses of all partners and the  
33 name of the partner to be actively in charge of the business for  
34 which the license is sought and list all other names known as or  
35 used during the past 10 years. If a qualified manager other than a  
36 partner is to be actively in charge of the business, then the  
37 application shall be subscribed, verified, and signed by all of the  
38 partners under penalty of perjury. If any other person is to be  
39 actively in charge of the business, the application shall also be  
40 subscribed, verified, and signed by that person, under penalty of

1 perjury, under penalty of perjury by all of the partners and the  
2 qualified manager, or by all of the partners or the qualified  
3 manager.

4 (h) If the applicant for a license is a corporation, the application  
5 shall state the true names and complete residence addresses of the  
6 chief executive officer, secretary, chief financial officer, and any  
7 other corporate officer who will be active in the business to be  
8 licensed. The application shall also state the name and address of  
9 the designated person to be actively in charge of the business for  
10 which the license is sought. The application shall be subscribed,  
11 verified, and signed by a duly authorized officer of the applicant  
12 and by the qualified manager thereof, under penalty of perjury.

13 (i) If the applicant for a license is a limited liability company,  
14 the application shall state the true name and complete residence  
15 address of each managing member and any other officer or member  
16 who will be active in the business to be licensed. A copy of the  
17 most recent articles of organization, as filed by the Secretary of  
18 State, shall be supplied to the bureau upon request. The application  
19 shall also state the name and residence address of the designated  
20 person to be actively in charge of the business for which the license  
21 is sought. The application shall be subscribed, verified, and signed  
22 by a duly authorized member of the applicant under penalty of  
23 perjury.

24 (j) Any other information, evidence, statements, or documents  
25 as may be required by the director.

26 (k) At the discretion of the applicant, a valid email address.

27 (l) This section shall remain in effect only until January 1, 2018,  
28 and as of that date is repealed, unless a later enacted statute, that  
29 is enacted before January 1, 2018, deletes or extends that date.

30 SEC. 6. Section 7525.1 of the Business and Professions Code,  
31 as added by Section 5 of Chapter 669 of the Statutes of 2014, is  
32 amended to read:

33 7525.1. An application shall be verified and shall include:

34 (a) The full name and business address of the applicant.

35 (b) The name under which the applicant intends to do business.

36 (c) A statement as to the general nature of the business in which  
37 the applicant intends to engage.

38 (d) A verified statement of his or her experience qualifications.

39 (e) (1) If the applicant is an individual, a qualified manager, a  
40 partner of a partnership, or an officer of a corporation designated

1 in subdivision (h), one personal identification form provided by  
2 the bureau upon which shall appear a photograph taken within one  
3 year immediately preceding the date of the filing of the application  
4 together with two legible sets of fingerprints, one set of which  
5 shall be forwarded to the Federal Bureau of Investigation for  
6 purposes of a background check, on a form approved by the  
7 Department of Justice, and a personal description of each person,  
8 respectively. The identification form shall include residence  
9 addresses and employment history for the previous five years and  
10 be signed under penalty of perjury.

11 (2) The bureau may impose a fee not to exceed three dollars  
12 (\$3) for processing classifiable fingerprint cards submitted by  
13 applicants, excluding those submitted into an electronic fingerprint  
14 system using electronic fingerprint technology.

15 (f) In addition, if the applicant for a license is an individual, the  
16 application shall list all other names known as or used during the  
17 past 10 years and shall state that the applicant is to be personally  
18 and actively in charge of the business for which the license is  
19 sought. If any other qualified manager is to be actively in charge  
20 of the business, the application shall be subscribed, verified, and  
21 signed by the applicant, under penalty of perjury. If any other  
22 person is to be actively in charge of the business, the application  
23 shall also be subscribed, verified, and signed by that person under  
24 penalty of perjury.

25 (g) If the applicants for a license are copartners, the application  
26 shall state the true names and addresses of all partners and the  
27 name of the partner to be actively in charge of the business for  
28 which the license is sought and list all other names known as or  
29 used during the past 10 years. If a qualified manager other than a  
30 partner is to be actively in charge of the business, then the  
31 application shall be subscribed, verified, and signed by all of the  
32 partners under penalty of perjury. If any other person is to be  
33 actively in charge of the business, the application shall also be  
34 subscribed, verified, and signed under penalty of perjury by that  
35 person, by all of the partners and the qualified manager, or by all  
36 of the partners or the qualified manager.

37 (h) If the applicant for a license is a corporation, the application  
38 shall state the true names and complete residence addresses of the  
39 chief executive officer, secretary, chief financial officer, and any  
40 other corporate officer who will be active in the business to be

- 1 licensed. The application shall also state the name and address of
- 2 the designated person to be actively in charge of the business for
- 3 which the license is sought. The application shall be subscribed,
- 4 verified, and signed by a duly authorized officer of the applicant
- 5 and by the qualified manager thereof, under penalty of perjury.
- 6 (i) Any other information, evidence, statements, or documents
- 7 as may be required by the director.
- 8 (j) At the discretion of the applicant, a valid email address.
- 9 (k) This section shall become operative on January 1, 2018.